

# GENERAL COUNSEL'S REPORT

December 13, 2017

G. Collins Chapel Health & Rehabilitation Center, Memphis (Shelby County), TN- CN1202-011AEEE

Unanimously approved on 6/1/2012 for the establishment of a 28 bed skilled nursing facility in which all beds will be dually certified for Medicare and Medicaid.

- 2/26/14-One year extension granted from August 1, 2014 to August 1, 2015 due to the need for an architectural redesign of plans.
- 5/27/15-18 extension granted due to the delay in financing approval from August 1, 2015 to February 1, 2017.
- 12/14/16-12 month extension granted from February 1, 2017 to February 1, 2018 because the applicant was finally under construction and expected to be complete in June 2017. The applicant had only asked for 6 months but the Agency granted 12 in order to be sure that all TDH inspections could be completed.

Request for a 1 year extension, from 2/1/2018 to 2/1/2019

**BAKER DONELSON**  
BEARMAN, CALDWELL & BERKOWITZ, PC

2017 NOV 30 PM 4:00

BAKER DONELSON CENTER, SUITE 800  
211 COMMERCE STREET  
NASHVILLE, TENNESSEE 37201

PHONE: 615.726.5600  
FAX: 615.726.0464

[www.bakerdonelson.com](http://www.bakerdonelson.com)

WILLIAM WEST, SHAREHOLDER  
Direct Dial: (615) 726-5561  
Direct Fax: (615) 744-5561  
E-Mail Address: [bwest@bakerdonelson.com](mailto:bwest@bakerdonelson.com)

November 30, 2017

Ms. Melanie Hill  
Executive Director  
Tennessee Health Services and Development Agency  
Andrew Jackson Building, 9th Floor  
502 Deaderick Street  
Nashville, TN 37243

*Via Hand Delivery*

Re: Request for One-Year Extension - CON No. CN1202-011AEEE, Collins Chapel Health and Rehab Center's CON project for the establishment of a 28-bed nursing home in Memphis, Shelby County, Tennessee extension of expiration deadline to February 1, 2019

Dear Ms. Hill:

As we discussed earlier this month, Collins Chapel Connectional Hospital, the holder of CON No. CN1202-011AE, originally granted in June 2012 and previously extended to February 1, 2018, is requesting a one-year extension of the expiration date of this CON to February 1, 2019.

It is my understanding that the builder had indicated on September 28, 2017 that the construction was approximately 75% complete. Pictures of the project's exterior received in October 2017 are attached hereto. Out of an abundance of caution, the CON holder requests that the expiration date for this project be extended for one year, to August 1, 2018, in order to ensure sufficient time for construction completion, furnishing, staffing, licensure inspections and resolution of any unforeseen difficulties.

Representatives of Collins Chapel, including myself, plan to be at the HSDA's meeting on December 13, 2017, to answer any questions the Agency members may have concerning this request for an extension of the CON.

If you have any questions or need any additional information on this matter, please advise.

4815-5147-9639 v1

2921481-000002 11/30/2017  
ALABAMA • FLORIDA • GEORGIA • LOUISIANA • MISSISSIPPI • TENNESSEE • TEXAS • WASHINGTON, D.C.

Ms. Melanie Hill  
November 30, 2017  
Page 2

Sincerely,

BAKER, DONELSON, BEARMAN,  
CALDWELL & BERKOWITZ, PC

A handwritten signature in dark ink, appearing to read "William West", written over the printed name.

William West

WHW/mhh  
Enclosure

cc: Bishop Williamson

















The Frost Building, Third Floor  
161 Rosa L. Parks Boulevard  
Nashville, TN 37243  
615/741-2364

Project Name: Collins Chapel Health & Rehabilitation Center Certificate of Need #: CN1202-011AEEE  
Legal Owner: Collins Chapel Connectional Hospital Approval Date: June 27, 2012 Expiration Date: 2/1/18

**\*\*\*\*PLEASE SUBMIT EVIDENCE TO SUPPORT EACH ANSWER\*\*\*\***

In a brief narrative, please describe the current stage of completion for the project (use another sheet of paper if necessary). **Please note that this report will not be considered complete without this information.**

As shown by the attached correspondence from Mr. Gregory Toles of the project builder, Toles Construction, the construction of the project is 75% complete.

## A. CONSTRUCTION PROJECTS

1. Anticipated date of project completion. January 31, 2019\*
2. Provide written confirmation from the contractor documenting the stage of construction at the current time.
3. If proposed construction costs have increased over ten (10%) percent please provide information as an attachment to this form. Please note that such an overrun could require additional action before the Agency.

Due to construction cost inflation since 2012, the construction costs for this project have increased more than 10% over original projections. Applicant will shortly file a request for authorization of an increase in construction costs.

## B. NON-CONSTRUCTION PROJECTS

1. Anticipated date of service implementation, acquisition or operation of the facility or equipment as certified.
2. Provide written confirmation from the institutional representative verifying the occupancy/opening date for the service, equipment, or facility.

Date \_\_\_\_\_

\*Applicant will shortly file a request for an additional one year extension of the CON.



# Toles Construction, Inc.

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**Gregory O. Toles**

3896 Tall Birch Cove  
Memphis, TN 38115  
(901) 362-0329

Design & Construction  
Construction Management

Ms. Melanie Hill  
Executive Director  
Tennessee Health Services and  
Development Agency  
502 Deaderick Street  
Andrew Jackson Bldg.  
Nashville, TN 37243

September 28, 2017

**Re: Collins Chapel Health and Rehabilitation CN#1202-01, 409 Ayers Street,  
Memphis Tennessee 38105**

Dear Ms. Hill;

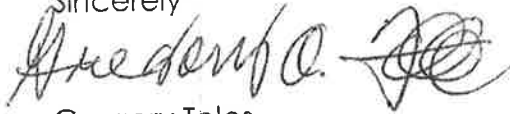
The owners of the above project have asked me to give you a status report of the project.

The project is 75% complete. We have completed most of the mechanical, electrical, and plumbing. We have also completed the roofing, the exterior of the building and installed new windows as shown on the drawings. We are now focused on the millwork, painting, the low voltage wiring, floor finishes and doors.

We have attached photographs of the project for your consideration.

Please feel free to contact us if any additional information is needed.

Sincerely



Gregory Toles  
President

## **GENERAL COUNSEL'S REPORT**

*Mr. Christoffersen summarized the following CON modification requests:*

### **The Health Center of Hermitage, Hermitage (Davidson County), TN – CN1404-011A**

Request for 24 month extension, from August 1, 2017 to August 1, 2019, because of delays encountered by the project being put on hold pending the resolution of discrepancies between the life safety codes of CMS and the State of Tennessee on similar NHC projects. The resolution of life safety codes issues took considerable time.

Unanimously approved on the June 25, 2014 Consent Calendar for the change of site/relocation for an approved but unimplemented certificate of need (CN1306-022A) for a 90\* bed Medicare-certified nursing home to a new site containing approximately 14.02 acres at 4214 Central Pike in Hermitage. The estimated project cost is \$19,241,697.

Steps have been taken toward completion of the project, including site acquisition, approval of zoning changes, site engineering, the expenditure of \$1.8 million, and other actions.

Travis Swearingen, Esq., addressed the agency on behalf of the applicant.

Mr. Grandy moved for approval of the 24 month extension from August 1, 2017, to August 1, 2019.

Mr. Taylor seconded the motion. The motion CARRIED [9-0-0]. **APPROVED**

AYE: Jordan, Gaither, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

### **Collins Chapel Health & Rehabilitation Center, Memphis (Shelby County), TN-CN1202-011AEE**

*Mr. Gaither departed the meeting.*

Request initially was for a six month extension of the expiration date but was extended to 12 months from February 1, 2017 to February 1, 2018.

Unanimously approved on June 27, 2012 for the establishment of a nursing home with 28 Medicare dually-certified skilled beds, to be located at 409 Ayers St., Memphis, TN 38105.

12 month extension, due to financing issues, from August 1, 2014 to August 1, 2015, was unanimously ~~approved on February 26, 2014.~~

18 month extension, due to financing issues, from August 1, 2015 to February 1, 2017, was unanimously approved on May 27, 2015.

Construction finally commenced in July 2016, with completion originally anticipated for April 2017, per the applicant.

William West, Esq., addressed the Agency on behalf of the applicant.

Mr. Korth moved for approval of the 12 month extension, from February 1, 2017 to February 1, 2018 because the applicant finally obtained funding and the project is under construction, with an expected completion date of June 2017.

Ms. Jordan seconded the motion. The motion CARRIED [8-0-0]. **APPROVED**

AYE: Jordan, Taylor, Korth, Mills, Harding, Fleming, Grandy, Doolittle  
NAY: None

**Report to Agency Members:**

The Village at Germantown Skilled Nursing Facility, Germantown (Shelby County), TN — CN1310-039AEE

Request for a 2 month extension, from December 1, 2016 to January 31, 2017, has been granted by the Agency's Executive Director, per the Agency's June 22, 2016 policy discussion regarding delegation of authority per TCA 68- 11-1606(d), because:

- CN1310-039AE would have expired prior to the Agency's December 2016 meeting.
- The project has been substantially completed; the Tennessee Department of Health has granted occupancy on phase 3 of 4, effective November 22, 2016.
- Remaining renovation work is expected to be completed prior to the end of January 2017.

Unanimously approved on January 22, 2014 for the addition of 20 Medicare-certified skilled beds to its existing 30 Medicare skilled bed nursing home.

**STAFF REQUEST FOR AGENCY GUIDANCE**

Life House Hospice, Inc. Cookeville (Putnam County), TN — CN1405-016A  
Life House Hospice, Inc. Cookeville (Putnam County), TN — CN1406-023A

The above applications (the first being an Emergency CON application) requested the establishment of a home care organization to provide hospice services in Putnam County, Tennessee in conjunction with the existing Life House Residential Hospice located at 570 State Street, Cookeville, Tennessee. The emergency certificate of need and follow-up certificate of need were requested because Life House, a licensed residential hospice, had to cease all residential/inpatient operations due to its inability to become Medicare-certified because CMS will not certify a stand-alone residential hospice.

Agency staff seeks guidance whether to initiate a contested case pursuant to T. C. A. § 68-11-1619 for the revocation of these certificates of need. **DEFERRED TO FEBRUARY 2017 MEETING.**

**QUALITY MEASURES TIMEFRAME UPDATE**

Ms. Hill noted that per comments received from the Joint Government Operations Education, Health and General Welfare Subcommittee the Agency had been directed to get emergency rules in place on quality measures as soon as possible.

Ms. Hill reported the Agency had called for comments on quality measures with those comments being due by December 20, 2016. Once the comments were received, the comments would be transmitted to Agency members and posted on the Agency's website. The comments would then be reviewed with representatives from the Departments of Health, Mental Health and Substance Abuse Services, and Intellectual and Developmental Disabilities in early January and with a stakeholders meeting planned for late January. With input gathered from the meetings with the aforementioned department representatives, stakeholders, and comments received from Agency members, staff would then draft emergency rules to present for discussion at the February agency meeting.





**State of Tennessee**

**Health Services and Development Agency**

Andrew Jackson, 9<sup>th</sup> Floor, 502 Deaderick Street, Nashville, TN 37243

[www.tn.gov/hsda](http://www.tn.gov/hsda)

Phone: 615-741-2364

Fax: 615-741-9884

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June 24, 2015

William H. West, Esq.  
Baker Donelson Bearman Caldwell & Berkowitz  
211 Commerce Street, Suite 800  
Nashville, TN 37201

RE: Collins Chapel Health & Rehabilitation Center - CN1202-011AE

Dear Mr. West:

As referenced in our recent letter, please find enclosed your revised Certificate of Need for the above-referenced application, which modifications and/or an extension of the expiration date were approved at the May 27, 2015 meeting of the Tennessee Health Services and Development Agency.

Should you have any questions or require further information regarding this Certificate, please do not hesitate to contact this office.

Sincerely,

James B. Christoffersen  
General Counsel

cc: Trent Sansing, TDH/Health Statistics, PPA  
Ann R. Reed, TDH/HCF  
Bill Harmon, TDH/HCF

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STATE OF TENNESSEE  
Health Services and Development Agency



Certificate of Need No.   CN1202-011AE   is hereby granted under the provisions of T.C.A. § 68-11-1601, *et seq.*, and rules and regulations issued thereunder by this Agency.

To: Collins Chapel Connectional Hospital  
409 Ayers Street  
Memphis, TN 38105

For: Collins Chapel Health & Rehabilitation Center

This Certificate is issued for: The establishment of a nursing home with 28\* Medicare skilled nursing facility beds. All beds will be dually certified.

\*These beds are subject to the 2011-2012 Nursing Home Bed Pool.

\* This Certificate is a replacement of the originally issued Certificate of Need pursuant to Agency Rule 0720-10-.06— Expiration, Revocation, and Modification of issued Certificates. A 12-month extension of the expiration date was granted on February 26, 2014, extending the expiration date from August 1, 2014 to August 1, 2015. An 18-month extension of the expiration date was granted on May 27, 2015, extending the expiration date from August 1, 2015 to February 1, 2017.

On the premises located at: 409 Ayers Street  
Memphis (Shelby), TN 38105

For an estimated project cost of: \$1,626,331.00

The Expiration Date for this Certificate of Need is

          \* February 1, 2017          

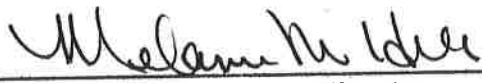
or upon completion of the action for which the Certificate of Need was granted, whichever occurs first. After the expiration date, this Certificate of Need is null and void.

Date Approved:   June 27, 2012  

  
Chairman

Date Issued:   July 25, 2012  

Date Reissued:   June 24, 2015  

  
Executive Director